



THE ASSAM GAZETTE

অসাধাৰণ

EXTRAORDINARY

প্ৰাপ্ত কৰ্তৃত্বৰ দ্বাৰা প্ৰকাশিত

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GOVERNMENT OF ASSAM
ORDERS BY THE GOVERNOR
INDUSTRIES AND COMMERCE DEPARTMENT

NOTIFICATION

The 27th March, 2017

No.MI.3/2009/207.- In exercise of the power conferred under Clause-17 of the "*Cess Utilization (Amendment) Policy, 2015 for development and welfare of Small Tea Growers of Assam*", the Governor of Assam is pleased to make certain amendments and enunciate the "*Cess Utilization (Amendment) Policy, 2017 for development and welfare of Small Tea Growers of Assam*". This amended Policy will come into force w.e.f. 1st April, 2017.

Cess Utilization (Amendment) Policy, 2017
For development and welfare of Small Tea Growers of Assam

1. SHORT TITLE, EXTENT AND COMMENCEMENT:

- (i) This policy is known as “Cess Utilization (Amendment) Policy, 2017 for development and welfare of Small Tea Growers of Assam”.
- (ii) It extends to the whole of Assam.
- (iii) It will come into effect from the date of its publication in the official Gazette of Government of Assam.

2. OBJECTIVES:

- (i) To facilitate and induce growth of the small tea growers.
- (ii) To help and take care of the welfare of the marginal tea workers employed in the small tea growers' and unorganized tea sector.
- (iii) To provide financial support to SHG/cooperatives/partners/companies formed by small tea growers' as equity holders.
- (iv) Setting up of tea factories by SHG/cooperatives/partners/companies of STGs.
- (v) to upgrade STGs from unorganized to organized sector through quality enhancement and best practices in tea production.

3. DEFINITIONS:

Unless there is anything repugnant in the subject or context:-

- (a) **"Cess"** means tax levied under the Assam Taxation (On Specified Land) Act, 1990 on specified land under cultivation of Tea by STGs.
- (b) **"Co-operative Society"** means a group of STGs associated for definite objectives like collection, auction sale of green leaf, establishment of tea factories, construction, maintenance of roads, drainage and irrigation system etc., and registered under the Assam co-operative Societies Act.,1949."
- (c) **"Company"** means a registered company where all equity holders are registered small tea growers whose names feature in the Directory of the Small Tea Growers.
- (d) **"Directory of Small Tea Growers"** means Directory published by Director of Tea, Assam/Industries & Commerce Department, Govt. of Assam after conducting base line survey of Small Tea Growers and bought Leaf Factories from time to time including amendments/deletions/substitutions/additions there to from time to time.
- (e) **"Director of Tea"** means officer designated by GoA as Director, Tea.
- (f) **"District Level Committee"** means a society formed under this policy at the district level.
- (g) **"Partners"** means a partnership forum of more than five small tea growers registered in the Directory of the small tea growers.
- (h) **"SHG"** means Self Help Groups formed by the Small Tea Growers having members not less than **10** with a minimum command area of 10 acres".
- (i) **"Small Tea Growers" (STG)** means indigenous tea cultivators of Assam having tea growing area not exceeding 10.12 hectares (75 Bighas) as enlisted in the Directory of STG's.
- (j) **"State Govt."** means Government of Assam in the department of Industries & Commerce.
- (k) **"State Level Committee"** means a society formed under this policy at state level.
- (l) **"Society"** means District Level Society or State Level Society as the case is.

- (m) 'Survey' means survey of Small Tea Growers and Bought Leaf Factories conducted by the Industries & Commerce Department, Govt. of Assam.
- (n) "Tea Gardens" means area under cultivation of tea and associated activities.
- (o) "Utilization of Cess" means utilization through various activities and assistance to STGs/Workers/Others concerned.
- (p) "Workers" means the workers engaged by STGs and duly identified by STGs.

4. CESS AND CESS COLLECTION:

The rate of cess to be levied on the green leaf to be notified by the finance department. The proceeds of cess levied shall first be credited to the Consolidated Fund of Government of Assam. The State Government will provide necessary fund to the State Level Society out of the amount so deposited in the Consolidated Fund as per provisions made in the Budget of the Industries & Commerce Department exclusively, for the purpose.

5. GENERAL CRITERIA OF ELIGIBILITY:

- (i) STGs, SHGs, co-operatives of STGs, partnership of STGs and company having 100% equity holders from the STGs.
- (ii) Workers or their SHGs working in the tea gardens of STGs.
- (iii) All the members of SHG's, co-operatives, partnership or company must be STG's as defined in Clause 3 (h).
- (iv) SHG will be eligible for getting benefits under the policy after 3 (Three) months of formation. Self Help Group (SHG) will have to maintain the proper record of monthly meeting maintenance of accounts etc.
- (v) Provident fund dues of all the applicant small tea growers (members of SHG) should not exceed Rs. 10,000/- each at the time of submission of application. In case, the Provident Fund liability exceed Rs.10,000/-, the application will be accepted provided it is supported by a court decree or written consent from P.F. authorities for allowing the payment of arrear Provident Fund dues in installments. For such applicant, conditional approval will be issued with a stipulation that no subsidy would be released until the arrear provident fund dues are cleared.
- (vi) No member of the Self Help group (SHG) shall be a defaulter of the Tea Board and plantation labour Act 1951 on the date of consideration of their application.
- (vii) The applicant beneficiary, except SHG and workers, shall be a registered assessee under the Assam Taxation (On Specified Lands) Act, 1990 and also shall be in possession of a valid upto-date tax clearance certificate from the jurisdiction tax authority.
- (viii) Subsidy cannot be claimed for the same activity or activities that have been carried out with funds availed from Tea Development Account Schemes or any of the Tea Board's schemes or incentives under any other scheme of State/Central Govt. An affidavit to this effect will be provided by the partners/company/cooperatives or SHG at the time of application.

6. Subsidy/grants/Assistance will be admissible for the following subjects

6. A. Subsidy

- (a) Subsidy @ 75% of actual cost of the vehicle for transportation of green leaf by partnership firm/cooperative society/company of STGs or SHGs subject to the limit of ` 7.50 (Seven lakhs Fifty Thousand).
- (b) Subject to a maximum of ` 15000/- (Fifteen Thousand) per quarterly, subsidy @ 50% against the interest of Bank loan for the development / expansion of small tea gardens taken by STGs on production of Bank documents. However, in-case of default in repayment of bank loan, subsidy will not be allowed.
- (c) In case of natural calamities like draught, epidemic outbreak affecting plants and human lives – special subsidies will be given as may be determined by the Government.

6. B. Grants-in-aid

Grants upto 75% of the actual cost for providing common infrastructure for setting up green leaf collection centres and facilities by SHG/Company of STG/cooperative or partnership of STGs, subject to a limit of ` 5.00 (Five) Lakhs subject to recommendation of PWD..

6. C. Special Assistance

- (a) Special assistance to SHG or Company, Co-operative Society or partnership firm, of STGs to set up Tea Factory @ 40% of investment on Plant & Machinery and Factory Building subject to a limit of ` 50 (Fifty) Lakhs.
- (b) Assistance for scientific facility at the tea factory and tools to reduce Minimum Residual Level and ensuring good quality leaves prescribed by the Tea Board of India subject to ceiling of 1.00 (One lakh).
- (c) **Assistance for conversion for existing tea garden to organic tea:**
Support of ` 30000.00 (Thirty Thousand) per acre will be provided to (SHG)/ partnership firm/Co-operative Society/ Company of STGs for conversion of existing tea garden to organic tea garden.
- (d) **Cost of Certification:**
Financial Support to the extent of 75% of the fee for obtaining organic certification / ISO/ HACCP (Hazard Analysis and Critical Control Points) subject to ceiling of ` 0.50 (Fifty) thousand per annum including renewal per certificate will be provided to SHG/Co-operative Society/ partnership firm/ Company of STG.

7. Fund:

- a. Govt. of Assam, in the Industries & Commerce Department will make budget provision of the fund so collected out of the cess and after withdrawal from consolidated fund place the same with the State Level Society.
- b. The State Level Society will utilise the fund for implementation of the policy. 5% of the fund may be utilised for administrative expenses or contingency.

8. Conditions for Providing Common Infrastructure:

Providing common infrastructure for setting up area wise green leaf collection and auction centre in areas with high concentration of Small Tea Growers by observing the following:

- (a) Setting up leaf collection centre, input storage godown, providing weighing scale, leaf carry bags and plastic crates will be made with 100% grants-in-aid from this fund. This criteria shall be implemented after tie-up of factories with the catchments area.
- (b) Finalization of catchment area with the factories shall be drawn by a committee comprising of Regional Committee of the STG association, Officer of DI&CC & the association of Bought Leaf Factories and they will select probable spots for setting up of collection and auction centre. The committee will assess the requirement of weighing scale, leaf carry bag and plastic crates etc prior to sanction.
- (c) A management committee in each spot shall be constituted who shall maintain the system like recording of participant of STG with name, quantity and BLF who has purchased against the name of STG and the rate per KG of green leaf paid. The Management committee shall submit application to the district committee for creation of aforesaid infrastructure in a prescribed format.
- (d) The District Level Committee will prepare an estimate as per market analysis and release the fund to the management committee for implementation in two installments, after satisfaction of actual utilization through spot enquiry and photographs.

- (e) A monitoring system regarding construction and function of the committee shall be assessed in a monthly meeting held there, in participation with all the members of the locality taking benefit of the centre on a fixed date, convened by the committee.

9. ASSISTANCE FOR IMPARTING TRAINING FOR GOOD MANUFACTURING PRACTICES BY APPOINTMENT OF CONSULTANTS/ RESOURCE PERSONS:

- (a) District Level Committee may prepare list of persons for training on scientific cultivation, good manufacturing practices, marketing, management, SHG, etc and send it to the Director Tea who will arrange training programme through AAV, TRI, Educational institutions etc. Tea Director may also initiate and decide training programme without decision of District Level Committee.

- (b) Exposure visit / Study tour may also be organized by the Tea Director within the State, Country or abroad.

(d) Award:

3 (Three) best performing Small Tea growers/ SHGs/ Co-operative Society/ partnership firm/Companies formed by STGs may be given award every year. Citation and incentives may be decided by the State Level Society.

(d) Marketing:

Self help Groups (SHG)/ Small Tea Growers (STG) can be sponsored by the Director Tea to participate in National and International events for promotion of their products for which their entire expenses will be borne from this fund.

Tea Directorate may arrange State/ Region and District level seminar, workshop, conference, exhibition, fair etc for promotion of Tea Plantation, Production, Marketing etc.

(e) Publicity:

Director Tea may take appropriate actions for wide publicity and awareness about the policy.

10. CONDITIONS FOR PROVIDING SUBSIDY FOR PROCUREMENT OF GREEN LEAF CARRYING VEHICLES:

Subsidy up to the limit of 75% of actual cost of green leaf carrying vehicles shall be granted to the partnership firms/companies/co-operative societies of STG/SHG under the following conditions for transportation of green leaf.

Conditions:

- (a) Shall have production of green leaf in a declared area of minimum 3000 kgs. Per day.
- (b) Shall have monthly deposit of members fee in the bank A/c of co-operative /SHG as fixed in their bye-law and monthly meeting is conducted by maintaining due proceeding.
- (c) Shall have a minimum deposit of Rs. 50,000/- of the co-operative/SHG to handle the system.
- (d) Shall have a committee amongst the members to handle on rotational basis (bi-monthly).
- (e) Shall maintain a register of daily transaction which will be passed in their monthly meeting.
- (f) Shall submit undertaking in the form of affidavit to follow the terms and conditions strictly and District Committee will have the full authority to take over possession of the Green Leaf Carrying Vehicles if the conditions prescribed are violated.
- (g) The 25% of the amount including DD charge will be deposited to District Level Committee, who will pay to the Firm from whom the co-operative/SHG will purchase the vehicle.

- (h) Registration, insurance etc., charges to be borne by the co-operative /SHG.

11. DURATION OF THE SCHEME:

“The Policy / scheme will remain valid commencing from 1st April, 2017 until further notification by the State Government.”

12. OTHER CONDITIONS:

Submission of application:

The application for subsidy should be submitted in the prescribed formats complete in all respect along with all supporting documents to the District Level Committee.

13. PRE-APPROVAL INSPECTION BY THE DISTRICT LEVEL COMMITTEE:

The District Level Committee soon after receiving of application from the SHG or its co-operative or the workers engaged in the STGs may undertake pre-approval inspection or enquiry to ensure eligibility and to justify the need under various schemes.

14. LETTER OF UNDERTAKING:

- (a) For all the activities mentioned above, the applicants should submit a Letter of Undertaking on a non-judicial stamp paper before receiving the 1st installment of such assistance.
- (b) In the event of breach of any of the provisions of the aforesaid undertaking or the terms and conditions of the scheme, the Society shall be entitled to recover the amount of subsidy with interest and penalties as decided by the society.
- (c) In event of any violation of the provisions of any of the schemes, State Govt. may take action as it deems fit and proper.

15. CHANGE OF OWNERSHIP OF THE BENEFICIARY COMPANY/GARDEN:

- (a) In the event of any change in the ownership of the tea garden/firm/company owned by STGs/SHGs before completion of the disbursement of the sanctioned subsidy amount, the transferor/seller of tea estate shall cease to receive any further subsidy remaining to be paid after transfer or Sale is affected.
- (b) The transferee / purchaser of the tea garden/company/firm having recorded the present ownership with the Govt. of Assam /societies concerned shall be entitled to receive subsidy due to the previous owner provided the transferee/purchaser submits in writing to District Level Committee the willingness to continue the development programme for which sanction has been accorded and transferee agrees to fulfill all the terms and conditions of this policy and the relevant scheme.

16. SANCTIONING AUTHORITY:

- (a) The District Level Societies of each district shall have full power to receive applications, scrutinize, sanction and disburse assistance under the schemes.

District Level Committee :The District Level Committees shall be comprised of the following members :

- | | | | |
|----|--|---|---------------------|
| 1. | Deputy Commissioner/ Principal Secretary
for Six Schedule Areas | : | Chairman |
| 2. | ADC Revenue | : | Member |
| 3. | General Manager DI&CC of the district | : | Member Secy. |
| 4. | Deputy Director, Regional Office, Tea Board | : | Member |

5. Asstt. Labour Commissioner/ Labour Officer : **Member**
6. One representative from the District Bought Leaf Factory (BLTF) : **Member**
7. One member nominated from the district members of AASTGA and one member from other Recognized and registered associations of small tea growers.
8. Chairman may co-opt one more member if required.

(b) A State Level Committee shall place fund to the District Level Societies for utilizing in the aforesaid schemes. The State Level Committee will be comprising of the following members :

1. Senior most Secretary, Govt. of Assam, Industries & Commerce Deptt : **Chairman**
 2. Commissioner of Industries & Commerce : **Vice-Chairman**
 3. Director of Tea, Assam : **Member Secy.**
 4. Director , TRA, Jorhat : **Member**
 5. Executive Director, Tea Board : **Member**
 6. Labour Commissioner : **Member**
 - 7.5(five) members one each from Central Committee of various stakeholders associations involved in the STGs and production activities. : **Member**
- Any other member may be co-opted by the Chairman if required.

17. **POWER OF GOVT. TO AMEND THE SCHEME:**

The Govt. of Assam reserves the absolute right to amend, amplify or abrogate in its discretion any of the terms and conditions of the schemes without notice.

18. **ADMINISTRATION :**

The Director, Tea or any other officer nominated by the Govt. of Assam shall administer the scheme on behalf of the Govt. of Assam and may prescribe guidelines from time to time.

19. **INCIDENTAL EXPENSES :**

Expenses on account of stamp duty, registration fees or any other expenses in connection with execution of contracts or other documents for the purpose of the scheme entirely be borne by the applicants. Such expenses shall not be adjusted with the subsidy to be paid by the Govt. of Assam.

20. **ACCOUNTS :**

(I) There shall be separate bank accounts, one at State Level Society and one each at District Level Society.

(II) District Level Societies shall maintain the following documents :

- (a) Fund receipt and disbursement register.
- (b) Cash Book.
- (c) Maintenance of Ledger scheme wise and STG/SHGs wise
- (d) Preparation of income & expenditure statement and balance sheet based on bank statement and schematic ledger.
- (e) Any other document prescribed by State Govt. / State Level / District Level Committees from time to time.

21. AUDIT : TWO SETS OF AUDIT WILL BE UNDERTAKEN :

- (i) Accounts of the State Level / District Level Society will be audited by the following :
- (a) Chartered Accountant.
 - (b) Accountant General, Assam

- (ii) The engagement of Chartered Accountant and their audit fees will be finalized by the State Level Committee payable from the provision for Administrative Expenditure

22. POWER OF GOVT. TO INTERFERE:

In case of any difficulty arising in interpretation / implementation, the decision of the State Govt. in the Department of Industries & Commerce shall be final.

RAVI CAPOOR,

Addl. Chief Secretary to the Govt. of Assam
Industries & Commerce Department.